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**THE SENATE
STATE OF MICHIGAN
ASSISTANT MAJORITY WHIP**

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I strongly disagree with the editorial position of the Detroit News that the creation of a regional water authority for the Detroit area is unnecessary. While the water and sewer system is currently under the control of U.S. District Judge Feikens, it is time for reform.

"I think the current water board needs to be supplanted by some kind of metropolitan water authority, where Detroit still owns the system, but the suburbs have more voice in its operations. Only one representative for each community is not adequate for millions and millions of people."

These are not my words but the words of Judge Feikens as quoted in an April 18, 2004, *Observer & Eccentric* article. When the judge overseeing the water system and the creator of the Southeast Michigan Consortium for Water Quality calls for change in the system's governing structure, action should be taken.

The consortium has made progress over the past year in adding transparency and giving the non-Detroit communities an earlier role in the Detroit Water and Sewer Department's rate making process.

These long-overdue improvements in the process have resulted in the lowest water rate increases in nearly a decade. However, there is still much left to be done to ensure the water rate-setting process is fair and equitable to all customers served by DWSD.

Despite these improvements, the non-Detroit communities served by DWSD will see their water rates increase an average increase of 3.9 percent this year, while the rates for Detroit residents will only rise by less than 1 percent. Some non-Detroit communities will face double-digit rate increases. The fact that rate increases for non-Detroit residents are averaging almost four times the rate increase for Detroit residents raises serious equal protection issues.

The issue of equal protection surfaces when one government entity -- Detroit with a majority of the board members and the ability to appoint all board members -- receives a rate increase of 75 percent lower than the average for all the other government entities. These entities have no appointment authority and are locked into a permanent minority on the board, even though they have a majority of the customers. This is akin to taxation without meaningful representation.

The DWSD's governing board consists of seven members -- four representing the city of Detroit and three representing non-Detroit wholesale customers. All members of this board are appointed by and serve at the pleasure of the mayor of Detroit.

To remedy the constitutional and legal problems raised by this disparity in water rate increases, I strongly endorse Judge Feikens' position that the time has come to create a metropolitan water authority. To accomplish that recommendation, I am introducing legislation timed to mark the second anniversary of Gov. Granholm's veto perpetuating the disenfranchisement of the suburban ratepayers.

(More)

The time has come to create a meaningful regional authority to oversee the various services DWSD provides to its wholesale customers. My legislation is an important first step in making this authority a reality. A regional authority with members appointed by and truly representing the non-Detroit governmental units is necessary to provide equal treatment for all DWSD customers. This type of intergovernmental governing structure will assist in silencing the acrimony created when one governmental entity has appointment authority over the entire board.

The citizens of Southeast Michigan have endured 35 years of a water system that has again and again had questionable business practices, a rate setting process only an expert could understand and, most importantly, a governing structure inherently unfair to its wholesale consumers. It would be irresponsible for me as a state senator not to bring a commonsense approach to correct this problem and a responsible governing structure for all customers serviced by the DWSD.

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